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SOURCE Newspapers as indicated.

HONG KONG MERCHANTS EAGER FOR NORTHEAST TRADE;
CANTON HALTS IMPORT PERMITS

YING-K'OU OPENING MAY STIMULATE TRADE -- Hong Kong Hsing-tao Jih-Pao,
15 Mar 50

The following opinions were expressed in a statement by a responsible person in a certain large Hong Kong trading firm, on 14 March 1950:

Commerce between Hong Kong and the Northeast will soon see new developments. The port of Ying-k'ou, now frozen, will become free during the last 10 days of March 1950, at which time Ying-k'ou and Dairen will become the centers of Northeast import-export trade. Reports to the effect that the port of Dairen will reinstate import-export restrictions following the opening of Ying-k'ou are without basis in fact.

The opening of Ying-k'ou sheds an optimistic light on the future course of commerce between Hong Kong and the Northeast and contributes to Northeast economic stability, despite the fact that the foreign commerce administrative policy of the Northeast has been altered to include the application of price limitations on all imports and exports. The Northeast area sorely needs all kinds of industrial raw materials, foreign paper, metals, machinery, raw cotton, and gunny sacks.

The trade policies which Northeast trade authorities adopted in the past, with respect to Northeast merchants and the Hong Kong area, permitted a legal profit. Although the price-limitation policy has now been adopted for imports and exports, it is believed that a legal profit is still permitted, and consequently Hong Kong merchants are eager to open transactions. Hong Kong tradesmen like the way Northeast merchants do business, and many are looking on with interest.

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CANTON ACTION THREATENS PRIVATE MERCHANTS -- Hong Kong Kung-shang Jih-pao, 15 Mar 50

Reports from Hong Kong indicate that from 13 March 1950 the South China authorities will no longer issue import permits to merchants. All previously issued permits will cease to be valid after 17 March. It is believed that this action of the authorities is intended to give them complete control of all foreign exchange and to eliminate private merchants from business.

At present, all Canton factories are required to petition the tax bureau to inspect their products for tax payment before they can ship them out of the factory. This procedure is often time-consuming and constitutes a great detriment to the movement of cargo from factories to public outlets. It also creates discrimination when the authorities are slower in acting in some factories than in others.

In the weaving industry, another obstacle is the fact that the market in the city is limited. Most manufacturers depend on shipping their goods out of the city to the markets. At present, nearly all boats have been commandeered so that there are no shipping facilities. This has caused a general slump in the textile market.

All these conditions have a depressing effect upon the Hong Kong market and business conditions upon the mainland.

PEOPLE'S BANK AIDS FLOW OF TRADE -- Shanghai Shang-pao, 1 Mar 50

The recently established transport and storage service of the trust department of the Shanghai branch of the People's Bank has already proved of considerable aid in promoting the flow of goods from the interior for export, particularly shipments to North China for export through Tientsin. From the beginning of the year till 23 February, 38 shipments of tung oil, wool, down feathers, peppermint and peppermint oils, to the value of over 4 billion people's yuan were forwarded to Tientsin for export. Also, 23,623 boxes of tea, tung oil, and casings were shipped to Tsingtao. The savings department of the Tientsin branch of the People's Bank has cooperated in making advances to shippers for transportation and foreign exchange for foreign goods coming in at the port of Tientsin for transshipment to Shanghai.

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